

House Bill 270

By: Representative Fludd of the 66<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

To amend Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to imposition, rate, computation, and exemptions regarding income taxes, so as to revise and change certain provisions regarding personal exemptions; to authorize a dependent exemption for custodial and noncustodial parents under certain circumstances; to provide an effective date; to provide for applicability; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

Article 2 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to imposition, rate, computation, and exemptions regarding income taxes, is amended by revising Code Section 48-7-26, relating to personal exemptions, as follows:

"48-7-26.

(a) As used in this Code section, the term 'dependent' shall have the same meaning as in the Internal Revenue Code of 1986.

(b)(1) An exemption of \$5,400.00 shall be allowed as a deduction in computing Georgia taxable income of a taxpayer and spouse, but only if a joint return is filed.

(2) An exemption of \$2,700.00 shall be allowed as a deduction in computing Georgia taxable income for each taxpayer other than a taxpayer who files a joint return.

~~(3)(A)(c)(1)~~ For taxable years beginning on or after January 1, 1994, and prior to January 1, 1995, an exemption of \$2,000.00 for each dependent of a taxpayer shall be allowed as a deduction in computing Georgia taxable income of the taxpayer.

~~(B)(2)~~ For taxable years beginning on or after January 1, 1995, and prior to January 1, 1998, an exemption of \$2,500.00 for each dependent of a taxpayer shall be allowed as a deduction in computing Georgia taxable income of the taxpayer.

~~(C)(3)~~ For taxable years beginning on or after January 1, 1998, and prior to January 1, 2003, an exemption of \$2,700.00 for each dependent of a taxpayer shall be allowed as a deduction in computing Georgia taxable income of the taxpayer.

(4) ~~Commencing with the~~ For taxable year years beginning on or after January 1, 2003, and prior to January 1, 2010, an exemption of \$3,000.00 for each dependent of a taxpayer shall be allowed as a deduction in computing Georgia taxable income of the taxpayer.

(5)(A) Except as otherwise provided in subparagraph (B) of this paragraph, for all taxable years beginning on or after January 1, 2010, an exemption of \$3,000.00 for each dependent of a taxpayer should be allowed as a deduction in computing Georgia taxable income of the taxpayer.

(B) For all taxable years beginning on or after January 1, 2010, an exemption of \$3,000.00 for each dependent of a taxpayer shall be allowed as a deduction to the custodial parent and shall also be allowed as a deduction to a noncustodial parent who is not in arrears for child support payments to the custodial parent for the taxable year for which the deduction is claimed, in computing Georgia taxable income of the taxpayer.

~~(c)~~(d) No exemption shall be allowed under this Code section for any dependent who has made a joint return with such dependent's spouse for the taxable year beginning in the calendar year in which the taxable year of the taxpayer begins.

~~(d)~~(e) A deduction in lieu of a personal exemption deduction shall be allowed an estate or a trust as follows:

(1) An estate - \$2,700.00; and

(2) A trust - \$1,350.00."

## SECTION 2.

This Act shall become effective on January 1, 2010, and shall be applicable to all taxable years beginning on after that date.

## SECTION 3.

All laws and parts of laws in conflict with this Act are repealed.